



AOXIN Q & M DENTAL GROUP LIMITED
(Company Registration Number 201110784M)
(Incorporated in the Republic of Singapore)

ACQUISITION OF SHENYANG HUANGGU AOXIN DENTAL CLINIC CO., LTD

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Aoxin Q & M Dental Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company's indirect wholly-owned subsidiary, Shenyang Xinao Hospital Management Co., Ltd, had on 21 December 2018 entered into a sale and purchase agreement (the "**Agreement**") with Mr. Wang Peng ("**WP**") and Mr. Wang Hongsheng ("**WHS**") (collectively, the "**Vendors**") to acquire 100% equity interest in Shenyang Huanggu Aoxin Dental Clinic Co., Ltd. ("**Huanggu Clinic**") owned by the Vendors ("**Acquisition**").

The Acquisition has been completed on 21 December 2018. Following the Acquisition, Huanggu Clinic is now an indirectly wholly-owned subsidiary of the Company.

2. INFORMATION ON HUANGGU CLINIC

2.1 Background and Principal Activities of Huanggu Clinic

- (a) Huanggu Clinic is a dental clinic operating at No. 11 Kunshan Middle Road, Huanggu District, Shenyang City, Liaoning Province.
- (b) The Vendors are an independent and unrelated third party to the Company, its Directors, or its controlling shareholders or substantial shareholders.

2.2 Net Tangible Assets of Huanggu Clinic

The book value and net tangible asset value of Huanggu Clinic is RMB762,000 as at 30 November 2018. No independent valuation was commissioned on Huanggu Clinic.

3. THE ACQUISITION

- 3.1 Pursuant to the Agreement, the aggregate consideration for the Acquisition is RMB1,100,000 and shall be paid in cash ("**Purchase Consideration**").
- 3.2 The Purchase Consideration was arrived at after arm's length negotiations and on a willing-buyer, willing-seller basis. In arriving at the Purchase Consideration, the Company has taken into account,

inter alia, the current market conditions, the history, track record and future prospects of Huanggu Clinic, and the strategic merits of the Acquisition.

- 3.3 In the event that any material issues/irregularities are uncovered in the course of due diligence which would or would reasonably be expected to cause the net tangible assets of Huanggu Clinic to materially deviate on the downside from the Consideration, the Company and the Vendor will negotiate in good faith in reasonable adjustments (if any) to be made to the Consideration.

4. RATIONALE FOR THE ACQUISITION

The Directors are of the view that the Acquisition is in the best interests of the Company and its shareholders as the Proposed Acquisition is in line with the Company's expansion of its dental business in North China, and allows the Company to add a fully operational clinic.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, controlling shareholders and substantial shareholders of the Company or their associates have any interests, direct or indirect, in the Acquisition, other than through each of their respective shareholding interests, direct and/or indirect (if any), in the Company.

6. DOCUMENTS FOR INSPECTION

A copy of the Agreement is available for inspection by shareholders of the Company at the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for a period of three (3) months from the date of this announcement.

By Order of the Board
Aoxin Q & M Dental Group Limited

Cheong Yew Meng

Chief Financial Officer
21 December 2018

For more information please contact:

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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